

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

IN RE:

CIRCUIT CITY STORES, INC., *et al.*,
Debtors.

Chapter 11

Case No. 08-35653-KRH

Jointly Administered

**DONAHUE SCHRIBER REALTY GROUP, L.P.'S RESPONSE TO
LIQUIDATING TRUST'S FORTIETH OMNIBUS
OBJECTION TO LANDLORD CLAIMS [Docket # 11851]**

Creditor Donahue Schriber Realty Group, L.P., a Delaware limited partnership ("DSRG"), hereby responds to Liquidating Trust's Fortieth Omnibus Objection to Landlord Claims ("Objection") [Docket # 11851] as follows:

1. On November 10, 2008, Circuit City Stores, Inc. ("Debtor") and its related companies, including Circuit City Stores West Coast, Inc., filed voluntary petitions for relief under Chapter 11 of the United State Bankruptcy Code.
2. As set forth in Exhibit B to the Objection, the Liquidating Trustee proposes to reduce DSRG's claim no. 12859 to \$17,458.55, eliminating ALL rejection damages and claiming without justification that DSRG has failed to mitigate its damages.
3. In 2007, Circuit City West Coast Stores, Inc. leased from DSRG that certain premises located at 6035 Ulali Drive NE, Keizer, Oregon pursuant to a written lease dated June 22, 2007 and various amendments (the "Lease"). Debtor referred to this lease as store #3582. The initial lease term is for approximately 11 years, commencing March 10, 2008 and expiring January 31, 2019.

4. The Lease was rejected effective March 10, 2009, after only one year of occupancy. At the time of rejection, approximately 110 months remained of the lease term. At the time of rejection, Debtor's base rent was \$33,028.50 per month and common area expenses were \$3,405.01 per month.

5. As set forth in its claim no. 12859, rejections damages were calculated at the 15% of the leasehold value through the end of the term pursuant to Bankruptcy Code section 502(b)(6) and is shown as follows:

Base Rent - (\$33,028.50 /month x 110 months =	544,970.25
\$3,633,135.00 x 15%)	
CAM - (\$3,405.01 x 110 months = \$374,551.10 x 15%)	<u>56,182.67</u>
TOTAL	\$601,152.92

6. Since rejection of the Lease, DSRG has diligently and actively sought a replacement tenant. DSRG engaged HSM Pacific Realty, Inc. of Portland, Oregon ("HSM Pacific") as its real estate broker. HSM Pacific has marketed the available space in Keizer Station through signage at the shopping center, through the internet, and with marketing brochures, a copy of which is attached as **Exhibit A**. Likewise, DSRG has marketed the space "as available" through its website and on a web-based commercial listing service called "Loopnet".

7. To date, DSRG has not been successful in locating a replacement tenant. Debtor's former premises is over 20,000 square feet and its size limits the number of potential tenants, even if the premises were to be divided up. Likewise, due to the economic downturn, the shopping center has had a number of other vacancies.

8. Liquidating Trustee may contact the following person at DSRG regarding its mitigation efforts:

Sheryl Beamer
Donahue Schriber Realty Group, LP
3501 Del Paso Boulevard, Suite 100
Sacramento, California 95835
(916) 920-5555

9. DSRG has undertaken significant efforts to locate a replacement tenant and has mitigated its damages and has met all applicable mitigation requirements. The Liquidating Trustee has submitted no evidence to contrary and its Objection to DSRG's claim must be rejected.

WHEREFORE, Creditor Donahue Schriber Realty Group, L.P. requests that the Court determine that this Creditor has actively sought to mitigate its damages; that its claim for rejection damages are not subject to reduction; that the Objection of the Liquidating Trustee in this regard be denied in its entirety; and, that this Creditor be granted any additional relief to which it may be entitled.

Dated: June 22, 2012

DONAHUE SCHRIBER REALTY GROUP,
L.P.

By: /s/ Augustus C. Epps, Jr.
Augustus C. Epps, Jr.

Augustus C. Epps, Jr., Esquire
Jennifer M. McLemore, Esquire
Christian & Barton, L.L.P.
909 East Main Street, Suite 1200
Richmond, Virginia 23219-3095
Telephone: (804) 697-4104
Facsimile: (806) 697-6104

Jennifer L. Pruski, Esquire
Trainor Fairbrook
980 Fulton Avenue
Sacramento, California 95825
Telephone: (916) 929-7000
Facsimile: (916) 929-7111

Counsel to Donahue Schriber Realty Group,
L.P.

4558198.1046659.1

CERTIFICATE OF SERVICE

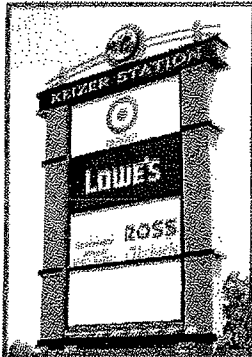
I, Augustus C. Epps, Jr., hereby certify that on the 22nd day of June 2012, a true and correct copy of Donahue Schriber Realty Group, L.P.'s Response to the Liquidating Trust's Fortieth Omnibus Objection to Landlord Claims [Docket #11851] has been served electronically using the ECF system on all registered users of the CM/ECF system who have filed notices of appearance in this matter and emailed separately to the following:

Jeffrey N. Pomerantz, Esquire
Andrew W. Caine, Esquire
Lynn L. Tavenner, Esquire
Paula S. Beran, Esquire

jpomerantz@pszjlaw.com
acaine@pszjlaw.com
ltavenner@tb-lawfirm.com
pberan@tb-lawfirm.com

/s/ Augustus C. Epps, Jr.
Augustus C. Epps, Jr.

EXHIBIT A



Location: Chemawa Road & Interstate 5, Keizer, Oregon

Center: GLA 670,000 square feet, mid-size anchor space, restaurant, and multi-tenant shop space is available for lease.

Traffic Counts: 81,800 ADT 2009 - I-5 @ Chemawa Road exit

Demographics:

	1 mile	3 mile	5 mile
2011 Est. Population	6,781	70,905	132,708
2011 Est. Ave. HH Income	\$77,740	\$56,964	\$56,641

Anchors:



"Owned and Operated by Donahue Schriber"

KEIZER STATION

KEIZER, OREGON

Michael S. Heerman
503-245-1400 Ext. 517
michael@hsmPacific.com

Doug Magnusen
503-245-1400 Ext. 516
doug@hsmPacific.com

Spencer McCormick
503-245-1400 Ext. 524
spencer@hsmPacific.com

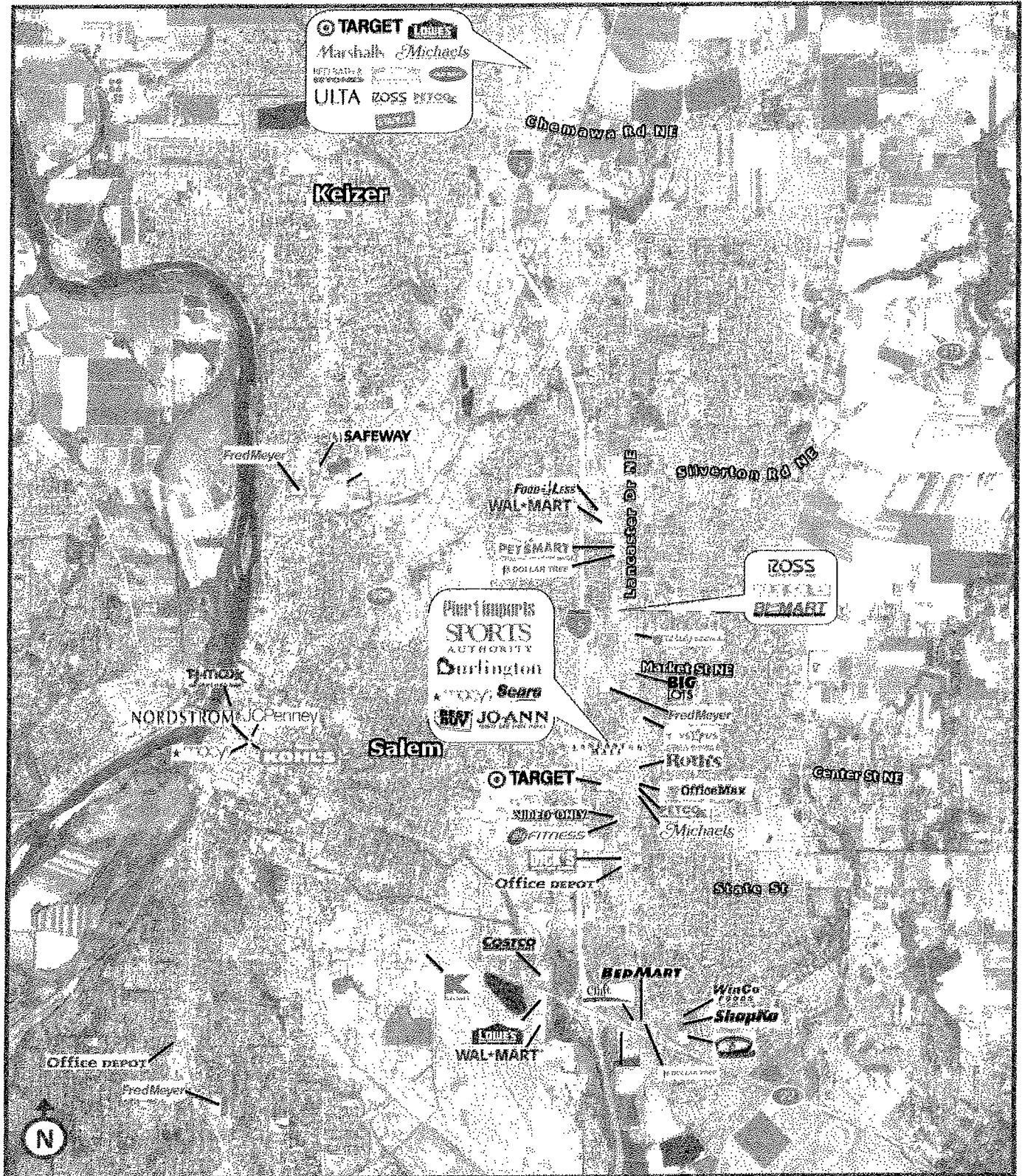


HSM Pacific Realty, Inc.
0612 SW Idaho St. Suite 2
Portland, OR 97239
www.hsmPacific.com



SALEM / KEIZER, OREGON Retail Aerial

CHAINLINKS
RETAIL ADVISORS



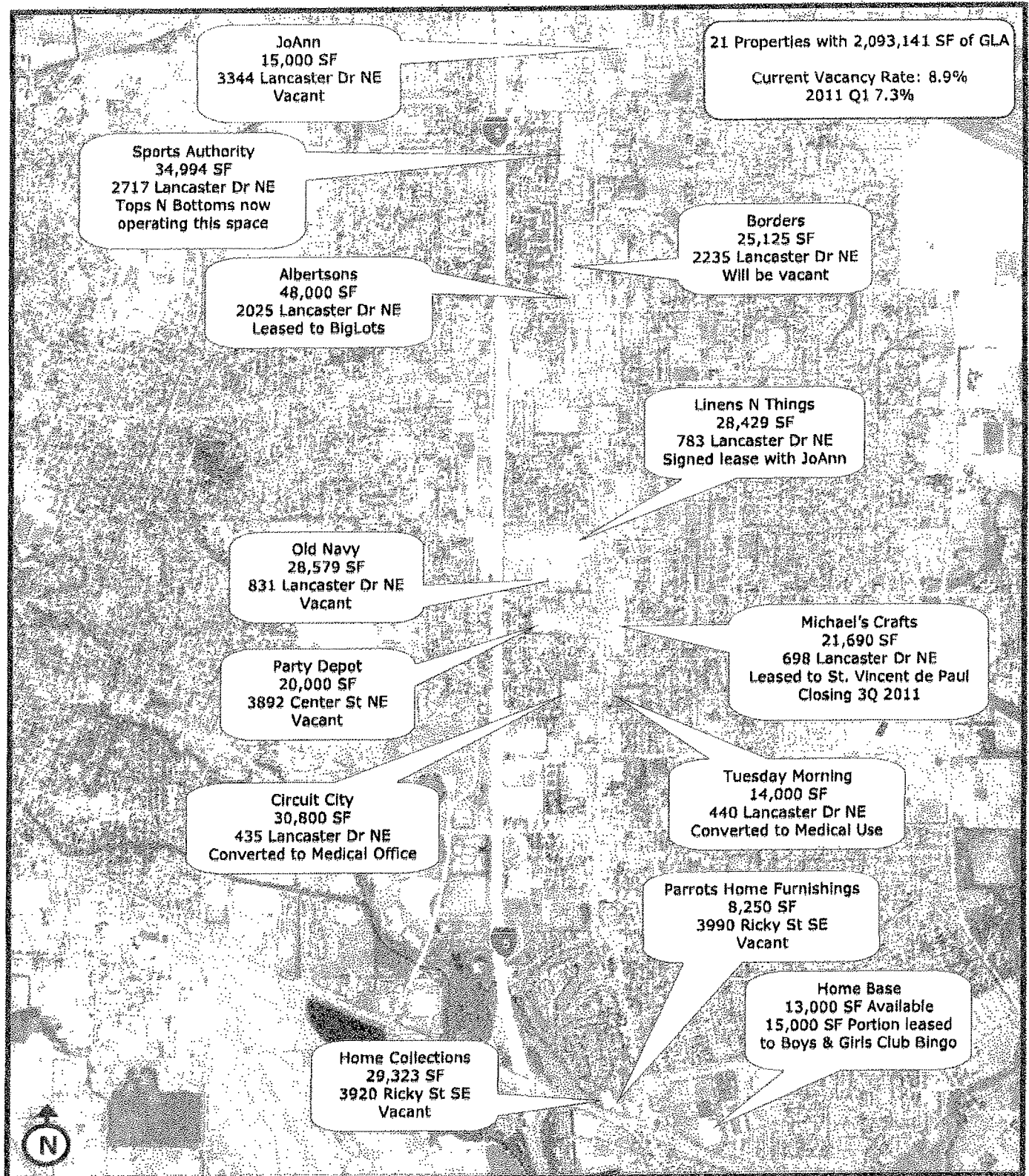
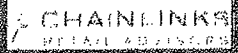


Lancaster Drive Retail Vacancy Report

Boundaries Portland Rd (North) Highway 22 (South)

Salem, OR

August 2011



2012.5 Development, Suite 100
 17141 98th Ave NE
 Redmond, WA 98073
 (206) 886-7100

BENNER STANGE ASSOCIATES
 3005 15th NW, Suite 810
 Portland, OR 97201
 (503) 770-0224
 (503) 770-0225
 bennerstange.com

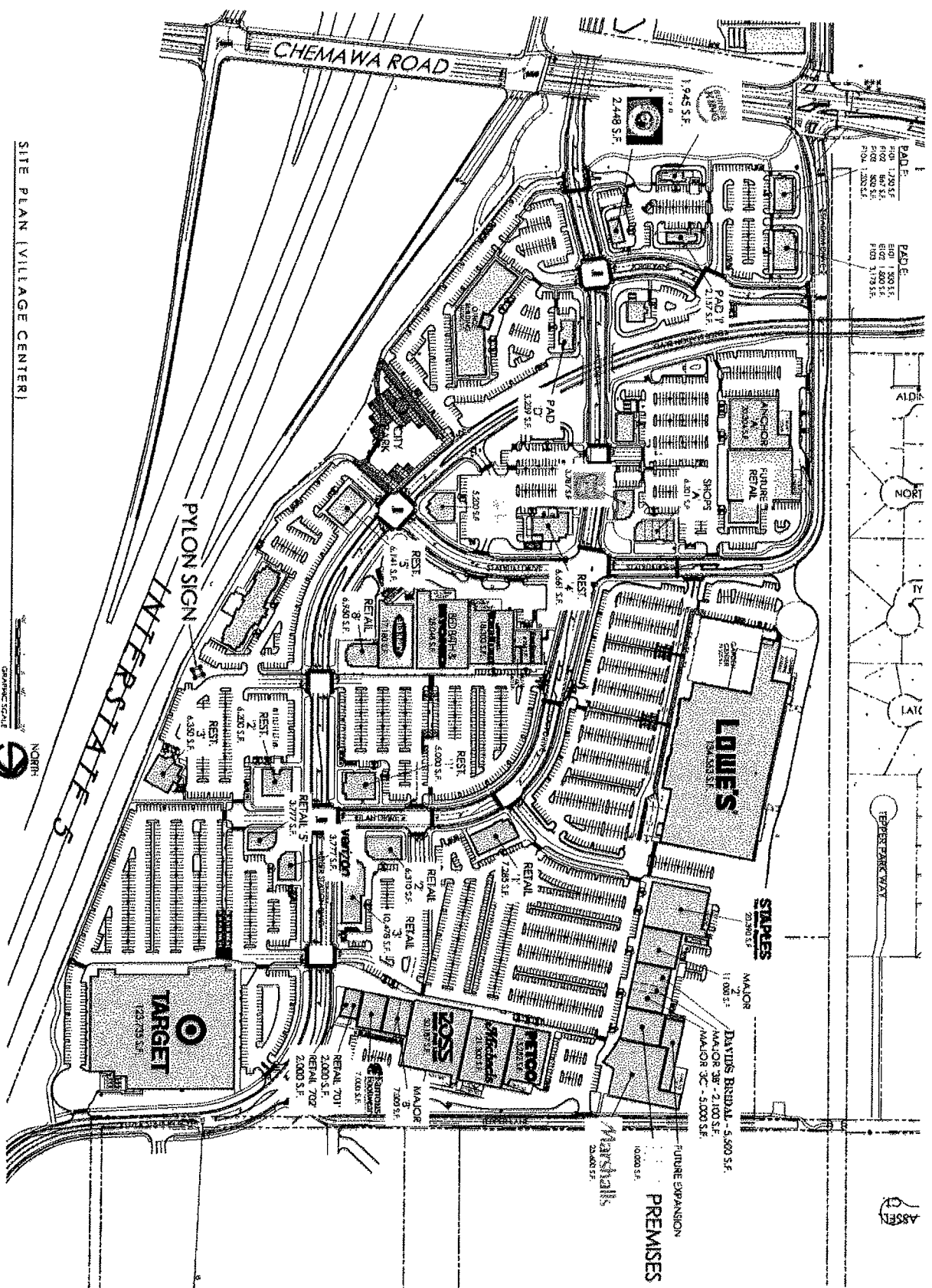


October 7, 2010

Keizer Station Village Center

Keizer, Oregon

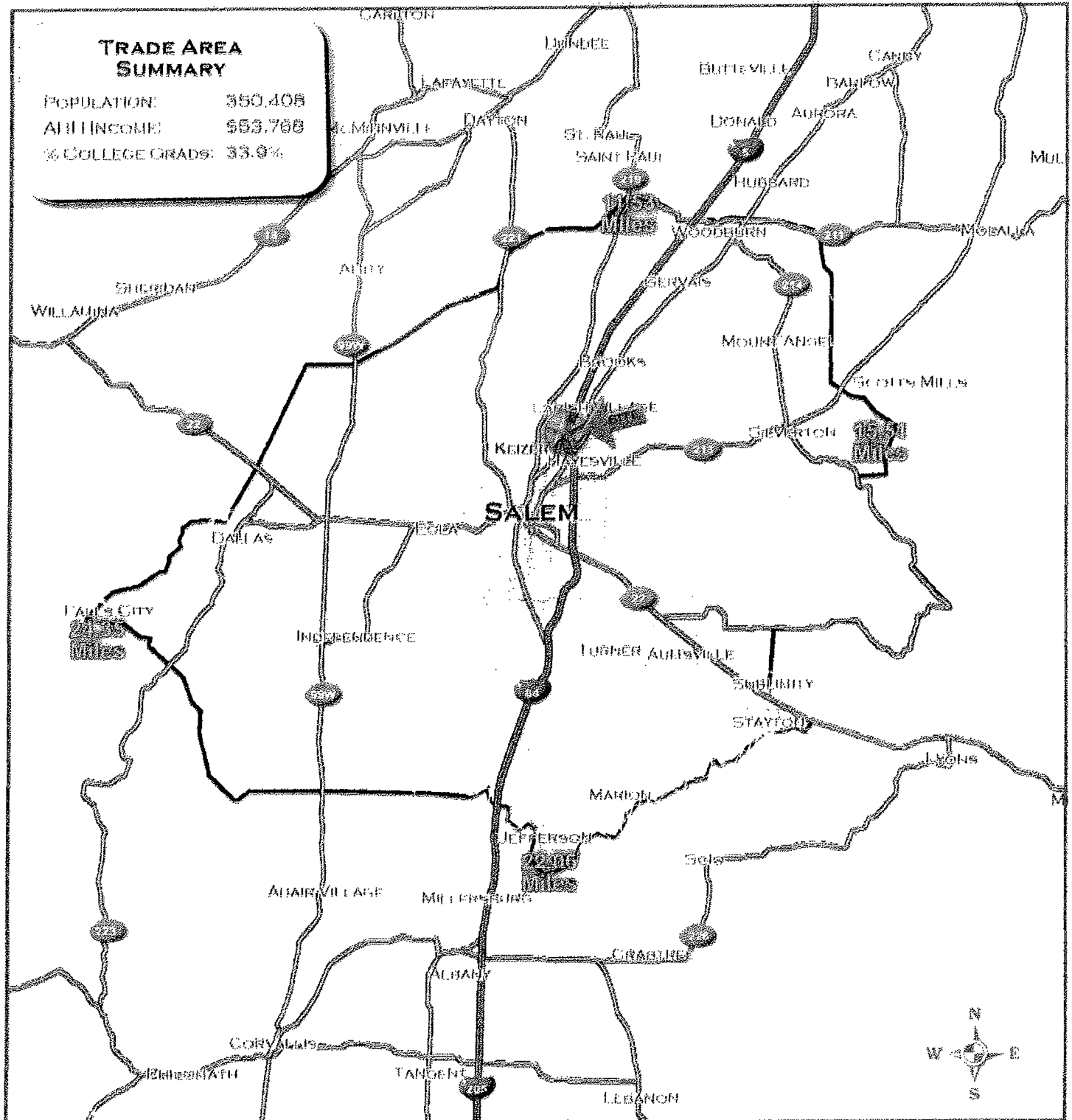
SITE PLAN (VILLAGE CENTER)





KEIZER STATION TRADE AREA MAP

Map of the Keizer Station Trade Area





Lat/Lon: 45.0054/-122.9967

Chemawa Road & Interstate 5

Keizer, OR

1 Mile 3 Miles 5 Miles

POPULATION	2011 Estimated Population	6,781	70,905	132,708
	2016 Projected Population	6,900	73,096	136,803
	2010 Census Population	6,753	70,533	131,885
	2000 Census Population	6,362	62,953	118,389
	Historical Annual Growth 2000 to 2011	0.6%	1.1%	1.1%
	Projected Annual Growth 2011 to 2016	0.3%	0.6%	0.6%
HOUSEHOLDS	2011 Est. Households	2,408	25,392	47,835
	2016 Proj. Households	2,459	26,214	50,055
	2010 Census Households	2,401	25,378	47,352
	2000 Census Households	2,292	22,921	43,181
	Historical Annual Growth 2000 to 2011	0.2%	0.5%	0.5%
	Projected Annual Growth 2011 to 2016	0.4%	0.6%	0.9%
AGE	2011 Est. Population 0 to 9 Years	16.0%	15.3%	15.0%
	2011 Est. Population 10 to 19 Years	14.7%	14.1%	14.1%
	2011 Est. Population 20 to 29 Years	13.8%	13.8%	13.8%
	2011 Est. Population 30 to 44 Years	18.6%	19.2%	18.7%
	2011 Est. Population 45 to 59 Years	18.7%	20.1%	20.2%
	2011 Est. Population 60 to 74 Years	12.0%	11.7%	12.0%
	2011 Est. Population 75 Years Plus	6.1%	5.9%	6.2%
	2011 Est. Median Age	33.4	34.2	34.6
MARITAL STATUS & SEX	2011 Est. Male Population	52.7%	49.9%	50.6%
	2011 Est. Female Population	47.3%	50.1%	49.5%
	2011 Est. Never Married	23.1%	24.8%	26.0%
	2011 Est. Now Married	59.5%	52.2%	49.1%
	2011 Est. Separated or Divorced	12.8%	17.3%	18.4%
	2011 Est. Widowed	4.6%	5.8%	6.4%
INCOME	2011 Est. HH Income \$200,000 or More	3.9%	1.8%	2.0%
	2011 Est. HH Income \$150,000 to \$199,999	3.2%	2.4%	2.2%
	2011 Est. HH Income \$100,000 to \$149,999	13.0%	9.0%	9.0%
	2011 Est. HH Income \$75,000 to \$99,999	20.1%	13.1%	11.8%
	2011 Est. HH Income \$50,000 to \$74,999	20.2%	18.8%	18.6%
	2011 Est. HH Income \$35,000 to \$49,999	14.1%	15.0%	15.5%
	2011 Est. HH Income \$25,000 to \$34,999	9.9%	12.8%	13.4%
	2011 Est. HH Income \$15,000 to \$24,999	8.9%	13.5%	13.6%
	2011 Est. HH Income \$0 to \$14,999	6.7%	13.7%	14.0%
	2011 Est. Average Household Income	\$77,740	\$56,964	\$56,641
	2011 Est. Median HH Income	\$58,833	\$46,718	\$45,751
	2011 Est. Per Capita Income	\$27,857	\$20,741	\$21,136
	2011 Est. Number of Businesses	179	1,881	4,777
	2011 Est. Total Number of Employees	2,083	22,449	59,680

This report was produced using data from private and government sources deemed to be reliable. The information herein is provided without representation or warranty.

2000 - 2010 Census, 2011 Estimates with 2016 Projections
 Calculated using Proportional Block Groups



Lat/Lon: 45.0054/-122.9967

Chemawa Road & Interstate 5

Keizer, OR

1 Mile 3 Miles 5 Miles

RACE	2011 Est. White Population	81.8%	73.8%	74.2%
	2011 Est. Black Population	0.7%	1.0%	1.2%
	2011 Est. Asian & Pacific Islander	2.4%	3.3%	3.5%
	2011 Est. American Indian & Alaska Native	1.1%	1.5%	1.6%
	2011 Est. Other Races Population	14.0%	20.4%	19.5%
HISPANIC	2011 Est. Hispanic Population	1,367	21,981	39,559
	2011 Est. Hispanic Population Percent	20.2%	31.0%	29.8%
	2016 Proj. Hispanic Population Percent	24.4%	35.5%	34.1%
	2010 Hispanic Population Percent	19.2%	29.4%	28.6%
EDUCATION (Adults 25 or Older)	2011 Est. Adult Population (25 Years or Older)	4,219	45,346	85,004
	2011 Est. Elementary (0 to 8)	4.8%	8.4%	8.6%
	2011 Est. Some High School (9 to 11)	10.2%	9.8%	9.7%
	2011 Est. High School Graduate (12)	22.0%	25.2%	26.7%
	2011 Est. Some College (13 to 16)	27.2%	26.6%	25.6%
	2011 Est. Associate Degree Only	7.0%	11.2%	10.3%
	2011 Est. Bachelor Degree Only	20.8%	12.7%	12.8%
	2011 Est. Graduate Degree	8.0%	6.1%	6.2%
HOUSING	2011 Est. Total Housing Units	2,516	26,801	50,868
	2011 Est. Owner Occupied Percent	70.3%	51.7%	52.2%
	2011 Est. Renter Occupied Percent	25.4%	43.0%	41.9%
	2011 Est. Vacant Housing Percent	4.3%	5.3%	6.0%
HOMES BUILT BY YEAR	2000 Homes Built 1999 to 2000	2.7%	3.1%	2.5%
	2000 Homes Built 1995 to 1998	11.6%	15.8%	12.9%
	2000 Homes Built 1990 to 1994	10.3%	12.2%	10.3%
	2000 Homes Built 1980 to 1989	13.1%	10.6%	10.8%
	2000 Homes Built 1970 to 1979	39.7%	27.2%	24.9%
	2000 Homes Built 1960 to 1969	13.7%	14.5%	12.9%
	2000 Homes Built 1950 to 1959	3.8%	9.3%	10.6%
	2000 Homes Built Before 1949	4.9%	7.2%	15.0%
HOME VALUES	2000 Home Value \$1,000,000 or More	-	0.1%	0.1%
	2000 Home Value \$500,000 to \$999,999	0.1%	0.4%	0.4%
	2000 Home Value \$400,000 to \$499,999	-	0.3%	0.3%
	2000 Home Value \$300,000 to \$399,999	0.7%	0.9%	0.9%
	2000 Home Value \$200,000 to \$299,999	3.0%	7.6%	7.0%
	2000 Home Value \$150,000 to \$199,999	21.7%	18.8%	17.3%
	2000 Home Value \$100,000 to \$149,999	67.2%	55.5%	52.2%
	2000 Home Value \$50,000 to \$99,999	7.3%	15.8%	21.1%
	2000 Home Value \$25,000 to \$49,999	-	0.3%	0.6%
	2000 Home Value \$0 to \$24,999	-	0.3%	0.2%
	2000 Median Home Value	\$134,570	\$132,036	\$128,029
	2000 Median Rent	\$562	\$494	\$479

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Lat/Lon: 45.0054/-122.9967

Chemawa Road & Interstate 5 Keizer, OR		1 Mile	3 Miles	5 Miles
LABOR FORCE	2011 Est. Labor: Population Age 16+	5,101	53,926	101,396
	2011 Est. Civilian Employed	60.9%	58.1%	56.1%
	2011 Est. Civilian Unemployed	8.4%	9.7%	9.5%
	2011 Est. in Armed Forces	1.1%	0.3%	0.2%
	2011 Est. not in Labor Force	29.7%	32.0%	34.3%
	2011 Labor Force: Males	52.4%	49.4%	50.2%
	2011 Labor Force: Females	47.6%	50.6%	49.8%
OCCUPATION	2000 Occupation: Population Age 16+	3,020	28,514	52,773
	2000 Mgmt, Business, & Financial Operations	16.4%	12.2%	11.7%
	2000 Professional & Related	18.2%	15.5%	16.0%
	2000 Service	17.1%	17.4%	17.4%
	2000 Sales and Office	26.6%	26.3%	26.5%
	2000 Farming, Fishing, and Forestry	1.0%	3.5%	3.6%
	2000 Construction, Extraction, & Maintenance	9.3%	10.0%	9.6%
	2000 Production, Transport, & Material Moving	11.5%	15.2%	15.1%
	2000 Percent White Collar Workers	61.2%	53.9%	54.2%
	2000 Percent Blue Collar Workers	38.8%	46.1%	45.8%
TRANSPORTATION TO WORK	2000 Drive to Work Alone	78.9%	73.9%	71.7%
	2000 Drive to Work in Carpool	14.8%	17.1%	17.2%
	2000 Travel to Work by Public Transportation	1.8%	2.3%	2.7%
	2000 Drive to Work on Motorcycle	-	0.2%	0.1%
	2000 Walk or Bicycle to Work	0.7%	2.2%	3.7%
	2000 Other Means	0.7%	0.7%	0.9%
	2000 Work at Home	3.1%	3.6%	3.7%
TRAVEL TIME	2000 Travel to Work in 14 Minutes or Less	30.2%	29.7%	33.4%
	2000 Travel to Work in 15 to 29 Minutes	46.8%	42.5%	40.4%
	2000 Travel to Work in 30 to 59 Minutes			
	2000 Travel to Work in 60 Minutes or More	6.2%	7.3%	7.2%
	2000 Average Travel Time to Work	21.8	22.3	21.7
CONSUMER EXPENDITURE	2011 Est. Total Household Expenditure	\$142 M	\$1.21 B	\$2.25 B
	2011 Est. Apparel	\$6.77 M	\$57.7 M	\$108 M
	2011 Est. Contributions & Gifts	\$9.00 M	\$73.2 M	\$138 M
	2011 Est. Education & Reading	\$3.81 M	\$31.5 M	\$59.1 M
	2011 Est. Entertainment	\$7.96 M	\$66.9 M	\$125 M
	2011 Est. Food, Beverages & Tobacco	\$22.5 M	\$196 M	\$366 M
	2011 Est. Furnishings & Equipment	\$6.36 M	\$52.2 M	\$97.2 M
	2011 Est. Health Care & Insurance	\$10.1 M	\$87.6 M	\$164 M
	2011 Est. Household Operations & Shelter & Utilities	\$42.2 M	\$360 M	\$673 M
	2011 Est. Miscellaneous Expenses	\$2.36 M	\$20.3 M	\$38.1 M
	2011 Est. Personal Care	\$2.06 M	\$17.6 M	\$32.9 M
	2011 Est. Transportation	\$28.8 M	\$244 M	\$454 M

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